

NEW TRENDS IN THE HOSPITALITY INDUSTRY

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ABSTRACT

Everything is changes. But, what are the most important changes in the Hospitality Industry? New segment, new technology, new expectations on quality appeared on the market. Millennials have become the fastest growing customer segment. High quality service is the only way to ensure loyal customers for the hotels. Innovative technology is a must to have: electronic /mobile check-in time is here. Reputation Management is on focus by guest reviews and comments .

Know your guests, satisfy their needs and create your services around them is the best recipe of a successful hotel operation. Due to new technologies, and changes in guest behaviour, consumers' satisfaction is everything, but not easy.

One of the most important priorities at our College is, to be able to provide the most up-to-date information to our students about their future professions. We always follow recent changes in the hospitality industry the appearance of new *legislative provisions, or latest technologies, for instance.*

Keywords: New trends, Demanding segment, Innovative technology, Reputation Management

INTRODUCTION

Changes in the macro environment in terms of technology, economic situation, cultural and generational differences, political uncertainty, etc. cause shifts in the hotel industry cycle.

In recent years consumer behaviour in the international hospitality sector has changed dramatically.

The 'new' consumer the Millennials has become the fastest growing customer segment within the hospitality industry. Millennials, as the member of the newly formed consumer society, has always the problem with the

shortage of time. "Today's 86 million Millennials, born between 1980 and 2000, hold \$200 billion in spending power and represent the most lucrative market for hoteliers."²¹

Therefore all the solutions that are effective and fast mean the way to success. As a result, the importance of the up-to-date information has increased.

According to Rauch (2014) this consumer segment is interested in utilizing technology to do things that many others have become adopted to doing manually: checking in at hotels, make up their restaurant and bar bills and looking up places to eat, shop and play to name a few.

In addition to wanting technology, Millennials have no problems speaking up. If what they are looking for is not handled to their liking, they will turn to Twitter, Facebook, Yelp or TripAdvisor to voice their complaints.²²

Easily accessible information coupled with economic uncertainty has made today's tourists extremely discerning in their choices regarding the hotel properties they book and how they book them.

Meanwhile, hotel keepers are under pressure to maximize occupancy, fight for every guest and earn their loyalty. Simply relying on offline marketing practices, offering a promotion or two, or counting on online travel agencies (OTAs) to fill rooms is not enough anymore. It is obvious that this is a disrupted marketplace for hoteliers.²³

If the hospitality industry wants to react immediately on the arising demand, should be aware of the new emerging trends.

Innovative technology -New Trends in the Hospitality Sector

This new segment is very demanding and expects high quality services from the commercial accommodations. Therefore customer service is strongly highlighted among the new trends in the hospitality industry in 2015.

In the past years the adaptation of the tools of electronic and information technology in the tourism industry made the customers as well as the suppliers to study. Due to the rapid changes of the technology, the role of the new online tools like social media and mobile applications formed a very strong influencing power on the customers' decision making procedure on travelling. "High tech, high touch"²⁴ is the service, the e-tourist wants from the hotels.

E-tourism represents the *paradigm-shift* experienced in the tourism industry as a result of the adoption of ICTs and the Internet²⁵.

²¹ Junvi Ola (2015) [how to get millennials to join your hotel loyalty program](http://hospitality.cvent.com/blog/junvi-ola/how-to-get-millennials-to-join-your-hotel-loyalty-program), <http://hospitality.cvent.com/blog/junvi-ola/how-to-get-millennials-to-join-your-hotel-loyalty-program>

²²Robert Rauch (2014): Top 10 Hospitality Industry Trends in 2015.

Monday, 8th December 2014 <http://www.4hoteliers.com/features/article/8736>

²³ <http://www.jda.com/realresultsmagazine/view-article.cfm?did=3111>

²⁴ Naisbitt, John (1982). *Megatrends: Ten New Directions Transforming Our Lives*. Warner Books / Warner Communications Company

²⁵Dimitrios Buhalis - Soo Hyun Jun (2011) E tourism, In: Contemporary Tourism Reviews, Goodfellow Publishers Ltd.

Innovative technology became one of the most important issues in the operation of hotels. Electronic check-in can be done either by mobile phone or by an Apple watch. But what is electronic check-in exactly? Most of the hotels are offering it as a part of their “Loyal Guest” programme. Customers registered as Preferred/Privileged guests are sent key cards equipped with the latest of identification technology that uses radio frequencies.

On the day of guest’s confirmed arrival, a text message is relayed to his mobile device, carrying basic figures like room number, timing, etc. Upon his actual arrival, the client doesn’t need to confirm his stay at the Front Desk. He simply moves to his room and apply the key-card.²⁶

2.1. Guests can use their mobile phones as the key to the hotel room

Hilton Worldwide launched digital check-in with room selection technology, now available at more than 3,700 hotels, and worldwide by the end of this year.

This technology empowers Hilton HHonors members to check in via their HHonors profile on desktop, mobile or tablet and choose the exact location of their room - right down to the room number.

Mobile-enabled room key goes a step further in simplifying the guests' travel, allowing travelers to check-in, select their room and access their room upon arrival entirely via the HHonors app on their smartphone. Service Available for Hilton HHonors members staying at U.S. Hilton Hotels & Resorts, Waldorf Astoria Hotels & Resorts, Conrad Hotels & Resorts and Canopy by Hilton properties.²⁷

“Unlock a whole new way to stay”-Starwood is already offering mobile room key in a number of Aloft, Element and W hotels. The website even shows a video about it: <https://www.spgpromos.com/keyless/>²⁸

But, why is it good for the hotels? Mobile room keys bring the following benefits to both the guests and to the hotel (according to the brands and the door lock companies):²⁹

Seamless Check-in...when combined with the rise of mobile check-in, mobile room key introduces the seamless check-in for the guest. The traveler can now check-in via his/her smartphone and go right to their assigned room without needing to stop at the front desk.

Reduced load on Front Desk = Labor savings for hotel & let staff to focus on meaningful interactions with the arrival guests that choose a full service check-in process.

²⁶ Maansi Sanghi (2014): 6 Hotel Hospitality Industry New and Current Trends You Should Know About - [http://www.hotelogix.com/blog/2014/02/06/6-hotel-industry-trends-you-should-know-](http://www.hotelogix.com/blog/2014/02/06/6-hotel-industry-trends-you-should-know-about/#sthash.6CmoCPKj.dpuf)

[about/#sthash.6CmoCPKj.dpuf](http://www.hotelogix.com/blog/2014/02/06/6-hotel-industry-trends-you-should-know-about/)<http://www.hotelogix.com/blog/2014/02/06/6-hotel-industry-trends-you-should-know-about/>

²⁷ Hilton worldwide truly opens doors: company to roll out mobile room keys in 2015 at hundreds of u.s. hotels across four brands, November 03, 2014

<http://www.hiltonworldwideglobalmediacenter.com/index.cfm/newsroom/detail/27701>

²⁸ <https://www.spgpromos.com/keyless/>

²⁹ Tim Kinsella(2015) the hotel room key goes mobile...what’s the big deal? The answer is “choice of service”.

<Http://stayntouch.com/hotel-mobile-room-key-whats-the-big-deal/>

Convenience & Choice of Service for the Connected Guest...those travelers that value the 'full service' check-in procedure can go to the front desk as has always been the case. At the same time, the "silent traveler"...those guests that value speed and convenience can choose their preferred silent path.

Increased TripAdvisor Scores... the research is in. Hotels that deliver on service choice and decreased waiting gain higher scores on the all important review sites. And as the industry now notices, increased review scores directly lead to increased revenues. Proof? A hallmark study conducted by the Cornell University School of Hotel Administration³⁰ found a 1% increase in RevPar (an industry measure of revenue) for every 1% increase in the hotel's "online reservation score" directly equating improved ratings with increase revenues.

Mobile room key is part of a larger industry shift that in the end will be a win-win for the hotel and for guests.

Apple Watch is the new hotel room key

The upcoming new Apple Watch³¹ is a possible game changer for travelers everywhere: the era of losing your hotel cardkey may soon be gone.

Starwood hotels is developing an app for the Apple Watch that will allow hotel guests to use it to unlock their rooms. Just wave it in front of the door and there you go! If you have the watch (and a compatible iPhone), you can get into your hotel room.³²

Accor Launches Accorhotels app for Apple Watch. In honor of the recently revealed Apple Watch™ Accor is launching an Accorhotels iOS app available starting at the end of April.

"By launching the Accorhotels application for Apple Watch™, Accor is establishing itself as a leading digital hospitality player," said Romain Roulleau, Accor's SVP e-commerce and director of the "mobile first" program.

"The policy is part of the group's digital plan that aims to align with the changeover to new mobile practices. Accor is keeping up with consumer demand by embracing the era of connected wearables and is providing guests with a value-added service before, during and after their stay."

The Accorhotels app for Apple Watch™ will be available in ten languages and works in connection with the smartphone app. In addition to promoting hotels and destinations, the app will allow users to manage current bookings. With the app, Accorhotels customers will be able to:

Receive alerts telling them the online check-in service is open

Access information about their bookings: arrival date, number of nights, number of guests

Receive information about the hotel's services (free Wi-Fi, parking, spa, swimming pool, etc.)

Access the interactive map, including the hotel's location and the local weather forecast

³⁰ Danny King (2012): *Cornell-study-links-hotel-reviews-and-room-revenue*, <http://www.travelweekly.com/Travel-News/Hotel-News/Cornell-study-links-hotel-reviews-and-room-revenue/>

³¹ <http://www.apple.com/watch/guided-tours/>

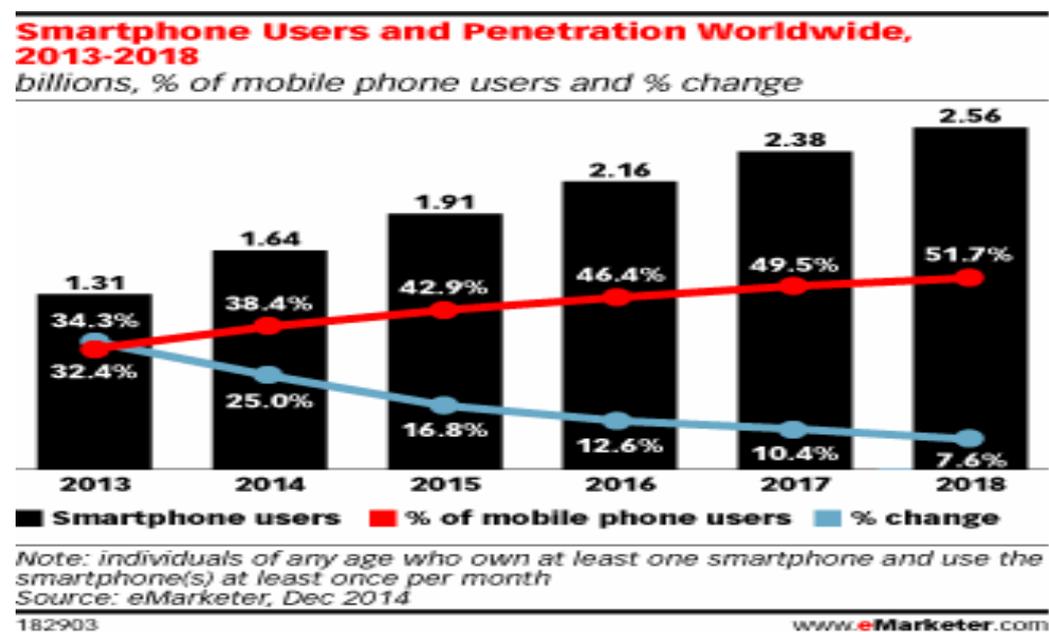
³² *Apple Watch is the new hotel room key* (2014) <http://nypost.com/2014/09/12/apple-watch-is-the-new-hotel-room-key/>

Access Le Club Accorhotels loyalty card details, including status and loyalty points.³³

Apple Watch and Android Wear are most certainly the platform of the future. Horological history shows how clocks migrated from bell towers, to walls, to pockets, to wrists. A strong allegory will be drawn from desktops, to laptops, to smartphones, to smart watches. Surely, one day we'll look at smart phones the way people in the early 1900's looked at pocket watches.³⁴

According the eMarketer's forecast³⁵ the number of smartphone users worldwide will surpass 2 billion in 2016. For the first time, more than one-quarter of the global population will use smartphones in 2015, and by 2018, eMarketer estimates, over one-third of consumers worldwide, or more than 2.56 billion people, will do so.(Chart1)

Chart1: Smartphone Users and Penetration Worldwide (2013-2018)



Source:eMarketer, Dec 2014

That 2018 figure also represents over half—51.7%—of all mobile phone users, meaning that feature phones will have finally become a minority in the telecommunications world.

eMarketer's latest mobile user forecast added 19 new countries, bringing the total to 41—including our first estimates for any individual countries in the Middle East and Africa. Following are the top 25 countries worldwide ranked by smartphone users in 2014, according to eMarketer estimates. (Chart2)

On a country-by-country basis, here are year-by-year other milestones eMarketer expects during its forecast period:

³³Accor launches accorhotels app for apple watch (2015)

http://www.hospitalityupgrade.com/_news/newsarticles/accor-launches-accorhotels-app-for-apple-watch.asp

³⁴ Tim Kinsella, (2015) Hotel management software – let's get the mobile phone right first,

<http://stayntouch.com/hotel-management-software-lets-get-mobile-phone-right-first/>

³⁵ <http://www.emarketer.com/Article/2-Billion-Consumers-Worldwide-Smartphones-by-2016/1011694>

2014: China will top 500 million smartphone users for the first time.

2015: Russia will surpass Japan as the fourth-largest smartphone user population.

2016: India will exceed 200 million smartphone users, topping the US as the world’s second-largest smartphone market.

2017: The US will surpass 200 million smartphone users, or nearly 65% of the country’s total population.

2018: Indonesia will pass 100 million smartphone users, firmly established as the fourth-largest smartphone user population.³⁶

Chart2: Top 25 Countries, Ranked by Smartphone Users (2013-2018)

Top 25 Countries, Ranked by Smartphone Users, 2013-2018
millions

	2013	2014	2015	2016	2017	2018
1. China*	436.1	519.7	574.2	624.7	672.1	704.1
2. US**	143.9	165.3	184.2	198.5	211.5	220.0
3. India	76.0	123.3	167.9	204.1	243.8	279.2
4. Japan	40.5	50.8	57.4	61.2	63.9	65.5
5. Russia	35.8	49.0	58.2	65.1	71.9	76.4
6. Brazil	27.1	38.8	48.6	58.5	66.6	71.9
7. Indonesia	27.4	38.3	52.2	69.4	86.6	103.0
8. Germany	29.6	36.4	44.5	50.8	56.1	59.2
9. UK**	33.2	36.4	39.4	42.4	44.9	46.4
10. South Korea	29.3	32.8	33.9	34.5	35.1	35.6
11. Mexico	22.9	28.7	34.2	39.4	44.7	49.9
12. France	21.0	26.7	32.9	37.8	41.5	43.7
13. Italy	19.5	24.1	28.6	32.2	33.7	37.0
14. Turkey	15.3	22.6	27.8	32.4	37.2	40.7
15. Spain	18.9	22.0	25.0	26.9	28.4	29.5
16. Philippines	14.8	20.0	24.8	29.7	34.8	39.4
17. Nigeria	15.9	19.5	23.1	26.8	30.5	34.0
18. Canada	15.2	17.8	20.0	21.7	23.0	23.9
19. Thailand	14.4	17.5	20.4	22.8	25.0	26.8
20. Vietnam	12.4	16.6	20.7	24.6	28.6	32.0
21. Egypt	12.6	15.5	18.2	21.0	23.6	25.8
22. Colombia	11.7	14.4	16.3	18.2	19.7	20.9
23. Australia	11.4	13.2	13.8	14.3	14.7	15.1
24. Poland	9.4	12.7	15.4	17.4	19.4	20.8
25. Argentina	8.8	10.8	12.6	14.1	15.6	17.0
Worldwide***	1,311.2	1,639.0	1,914.6	2,155.0	2,380.2	2,561.8

*Note: individuals of any age who own at least one smartphone and use the smartphone(s) at least once per month; *excludes Hong Kong; **forecast from Aug 2014; ***includes countries not listed*
 Source: eMarketer, Dec 2014

182905 www.eMarketer.com

Source:eMarketer, Dec 2014

³⁶ <http://www.emarketer.com/Article/2-Billion-Consumers-Worldwide-Smartphones-by-2016/1011694>

If the hoteliers want to satisfy the guests' demand they have to be aware of the latest technologies.

The most online specific products are the services of the tourism industry. Since the emergence of the Internet, travel planning (e.g., travel information search and booking) has always been one of the main reasons that people use the Internet.³⁷

The cost of tours can be high, consequently, good prices always play an important role in the planning and selection of a holiday destination. Nowadays on-line travel agencies (OTA's) with their good prices and special travel packages come before hotels' websites in popularity.³⁸

Online travel agencies (OTA'S) vERSUS direct booking

How to increase revenue and same time decrease the costs of OTAs is the question here. Distribution channels play a very important role in the hospitality sector. However the commissions the hotels pay to the Online Travel Agencies can range from 15-30% and that cause problems by reaching the targeted REVPAR. So, the solution is to increase direct hotel bookings.

The reach of OTAs has risen by 45% since 2008 in spite of the fact that travelers booking directly on the website is cheaper for hoteliers. The answer is simple; it has nothing to do with the travelers or the OTAs, but it's to do with the hotel website.³⁹

OTAs like TripAdvisor, Expedia and Booking.com will clearly be listed on the first 4 results, when you look up for accommodation.

Patak (2014) says, that having an easy-to-navigate, effective and attractive website wherein everything from rates to rooms to services and packages are clearly highlighted. An excellent website with all important details and strong booking engine are the key to reclaiming victory over OTAs.

But, according to Sourabh Matur (2014) as OTA commission checks continue to rise, small and mid-sized hoteliers are increasingly considering TripConnect as a viable platform to generate direct bookings.

Before the introduction of TripConnect, lets see some basic information about Tripadvisor.

"TripAdvisor branded sites make up the largest travel community in the world, reaching nearly 260 million unique monthly visitors**⁴⁰ in 2013, and more than 200 million reviews and opinions covering more than 4 million accommodations, restaurants, and attractions. The sites operate in 42 countries worldwide. TripAdvisor also includes TripAdvisor for Business, a dedicated division that provides the tourism industry access to millions of monthly TripAdvisor visitors. TripAdvisor Content: More than 200 million reviews and opinions from travellers

³⁷ Buhalis, D. (2003). *eTourism: Information Technology for Strategic Tourism Management*. London, UK: Pearson (Financial Times/Prentice Hall)

³⁸ Veres Zoltán - Grotte Judit (2009): *Turizmusmarketing In: Dr. Veres Zoltán: A Szolgáltatásmarketing Alapkönyve; Akadémia Kiadó, Második bővített átdolgozott kiadás; Budapest, 2009. ISBN 978963058572 (459.-479.o.)*

³⁹ Manisha Patak (2014): Simple ways to overcome OTA blues and increase direct hotel bookings <http://www.hotelogix.com/blog/2014/12/22/simple-ways-to-overcome-ota-blues-and-increase-direct-hotel-bookings/>

⁴⁰ **Source: Google Analytics, average monthly unique users, Q1 2014; does not include traffic to daodao.com

around the world, More than 3.7 million businesses and properties in 139,000+ destinations, More than 19 million candid traveller photos. And 82 million people have downloaded the various TripAdvisor apps, up nearly 150% year-over-year.”⁴¹

How does TripConnect Work?⁴²

TripConnect lets your hotel compete with OTAs on TripAdvisor by placing bids. It displays real-time room rates and availability. So, instead of travelers booking via OTA sites, it lets them book directly from your site.

1. Your hotel needs to have a TripAdvisor business listing to use TripConnect.
2. TripConnect works on a bidding model, basically through a cost-per-click (CPC) campaign. Hoteliers need to use the TripAdvisor Auction platform and bid for bookings.
3. Once you place bids, your hotel’s official site icon appears as an option alongside the OTAs on your hotel’s TripAdvisor page.
4. Only if a traveler clicks on your official link and comes to your website to book, do you pay the bid price to TripAdvisor.

What Should Hoteliers Know About TripConnect⁴³:

Get a Web Booking Engine: In order to sign up for TripConnect, your hotel needs a TripAdvisor certified internet booking engine.

Sign Up: You get the maximum features of TripConnect with signing up. For e.g. The Review Express feature where you can send automated mails to guests who have stayed in your hotel to post reviews on TripAdvisor.

Set the Right Price: As per TripBarometer Global Report of April 2014, 95% of global travelers indicate price is an important factor in choosing an accommodation. Ensure that your room rates are competitive.

Try to Reach the First Position: Ensure that you bid aggressively to reach the first position as OTAs are also as aggressive. Travelers are most likely to click on the first position.

TripConnect will certainly take guests to the hotel’s website which will give hoteliers an advantage to reduce dependency on OTAs and get better controls of the online distribution channel. (Sourabh Matur (2014)). Reaching as many potential guests as possible, out of good distribution channels, reputation management plays a crucial role in this sector.

⁴¹ http://www.tripadvisor.co.nz/PressCenter-c4-Fact_Sheet.html

⁴² Sourabh Matur (2014) TripConnect: A Hotelier’s Tool to Outsmart OTAs
<http://www.hotelogix.com/blog/2014/07/23/tripconnect-a-hoteliars-tool-to-outsmart-otas/>

⁴³ Sourabh Matur (2014) TripConnect: A Hotelier’s Tool to Outsmart OTAs
<http://www.hotelogix.com/blog/2014/07/23/tripconnect-a-hoteliars-tool-to-outsmart-otas/>

Reputation Management

According to Bin Yu and Munindar P. Singh (2002) one of the major challenges for electronic commerce is how to found a relationship of trust between different parties. Creating trust is nontrivial, because the traditional physical or social means of trust cannot apply directly in virtual settings.

In many cases, the parties involved may not ever have communicated before. Reputation systems seek to address the development of trust by recording the reputations of different parties.⁴⁴

With the tools of social media individuals and communities share, co-create, discuss, and modify user generated content.⁴⁵

Not only can consumers easily publish their views on purchase through ratings, reviews, and online feedback, but other consumers interested in knowing these views.⁴⁶

For reputation management, Tripadvisor is one of the most important platform in the hospitality industry. But online comments and reviews can come eg.: from Facebook, Yahoo, Yelp and Expedia (OTA) as well.

Rauch (2014) suggests to hotels to use only one tool instead of different others for managing a property's reputation process. Based on his opinion, one of the means is Revinate as a complete, one-stop solution for reputation management instead of the cumbersome process of logging into each platform and spending an exorbitant amount of time on a crucial yet time consuming aspect of the hotel industry. Engaging with guests and responding to their needs publicly through these forums can go a long way in driving future bookings to the property.

But what is revinate all about?⁴⁷

Revinate, a San Francisco-based technology company that is reinventing the hotel guest experience, launches inGuest in Europe. inGuest brings together reservation (PMS) data and stay histories, with preferences, social media activity and guest feedback to surface comprehensive rich guests profile on a single platform. For the first time hoteliers can truly understand their guests and engage with them more effectively before, during and after their stays, increasing guest satisfaction and revenue. With inGuest, hoteliers can execute precisely targeted engagement campaigns. The platform also includes a request center to establish a two-way communication channel with guests via email, SMS and app notifications, a hotel-branded native app and a branded mobile website to streamline advance check-ins, room service orders, service requests, problem solving, concierge tips and more.

⁴⁴ Bin Yu and Munindar p. Singh (2002) distributed reputation management for electronic commerce, in: computational intelligence [VOLUME 18, ISSUE 4](#), pages 535–549, november 2002

⁴⁵Kietzmann, J.H. , Hermkens, K. , McCarthy, I.P. , Silvestre, B.S. (2011). 'Social media? Get serious! Understanding the functional building blocks of social media'. *Business Horizons*. 54, 3, 241-251

⁴⁶Lee, L.W.(2014) 'Advice from creative consumers: a study of online hotel reviews', *Int. J. Technology Marketing*, Vol.9., No.1,pp.53-71

⁴⁷ [Theodore Koumelis](#)(2015) revinate launches inguest in europe to deliver a breakthrough in guest engagement: rich guest profiles, <http://www.traveldailynews.com/news/article/65110/revinate-launches-inguest-in-europe#sthash.gfogtvdg.dpuf>

The Boston Harbor Hotel was among the first properties to deploy inGuest. Stephen Johnston, General Manager says, "At boston harbor hotel, anticipating guest needs and building deeper relationships with them is a top priority this year. inguest gives us access to guest data that we've never had before and a set of powerful tools we can use to personalize the guest experience. hotel guests are becoming increasingly tech savvy and inguest's rich guest profiles are going to completely change how hoteliers engage with their guests, deepen loyalty and drive incremental revenue." Already launched with proven success at leading hotels such as Provenance Hotels, Grande Colonial Hotel and Makena Resort, inGuest is now available in the UK and Ireland at Macdonald Hotels, Grange Hotels and Fuller's British Hotels and Inns.

How does inGuest works?

InGuest contains 3 stages: 1. Pre-stay, 2. On-site and 3. Post-stay. To be able to understand clearly the process, let me describe it through an example. The client is a female, between 24-35, and an active user of LinkedIn, Facebook, Twitter and Tripadvisor.

1. Pre-stay : "Adele makes a reservation at the Avertine Hotel. inGuest begins to fill in her guest profile with past stay information. The hotel receives an arrival report with a VIP guest list. Adele's profile shows 6 hotel reviews and high social activity with 5K Twitter followers. Adele receives an advanced check-in email and upgrades to a suite. The front desk gets an SMS and confirms with Adele. After checking-in, Adele receives a welcome SMS and heads to the bar for happy hour. 2. On-site. She uses the Mobile App to order room service for breakfast. 3. Post-Stay. The hotel gets an alert that Adele has written a 5 star review on TripAdvisor. Three months later, the hotel sends a targeted email to Twitter VIPs and wine lovers. Adele makes her 5th reservation."⁴⁸

As we can see it above, apart from good quality service and interactive communication with our potential guests, flexibility is a key issue for the hoteliers in these years. A good marketing plan for a given period of time is a must for each hotel. However, the fast changes in the macro environment requires flexibility from the hotels. Real time marketing is the answer for this challenge.

Real time marketing

According to Trackmaven "Real Time Marketing is marketing that is based on up to date events. Instead of creating a marketing plan in advance and executing it according to a fixed schedule, real time marketing is creating a strategy focused on current, relevant trends and immediate feedback from customers. The goal of real time marketing is to connect consumers with the product or service that they need now, in the moment."⁴⁹

Through the social media (eg.: Twitter, Facebook, etc.) sites, companies can gain information about their segments. With this knowledge, in a few minutes, hotels can easily define their up-to-date marketing messages. But, the content must be valuable for the potential guests! Every consumer wants to be the member of the 'Being Trendy' group. If, hoteliers strategically structure their advertisements to reflect a current event (eg.: Formula1 after party,

⁴⁸ <https://www.revinate.com/downloaded> 2015.05.21

⁴⁹ <http://trackmaven.com/marketing-dictionary/real-time-marketing/>

fashion show, etc.), their service may become more appealing to guests. The application of this type of marketing, must take place on a regular basis and include guest-generated content.

Whether it is Facebook or another social media tool, guests should be able to contact the hotel with an expectation that they will receive a response in a timely manner. Video campaigns (eg.: Flip to) on social media, when done properly, are proving to be successful for hoteliers looking to generate guest engagement. Flip.to allows for hotels to connect with guests from the moment they make a reservation and to create a unique experience upon arrival. (Rauch 2014).

Gary Vaynerchuk, a well-known Internet entrepreneur and author, famously said, "Content is king, but marketing is queen, and runs the household." Creating great content for your website and/or blog is helpful, but good content alone will not drive the results your hotel desires. A quality content marketing strategy sets a purpose behind the content. We may have read the articles about the importance of content for SEO, but it only drive results and increases brand awareness when deploying content with a custom marketing strategy.⁵⁰

DeVoren, Herweg (2015) at TravelClick, the company's content marketing packages follow this strategic process:

Research demand generators, local attractions, and events within close proximity to the hotel.

Link researched topics with long-tail keywords that show low competition and high search volume.

Create engaging blog articles, infographics, videos, and white papers to add to the hotel blog and/or website.

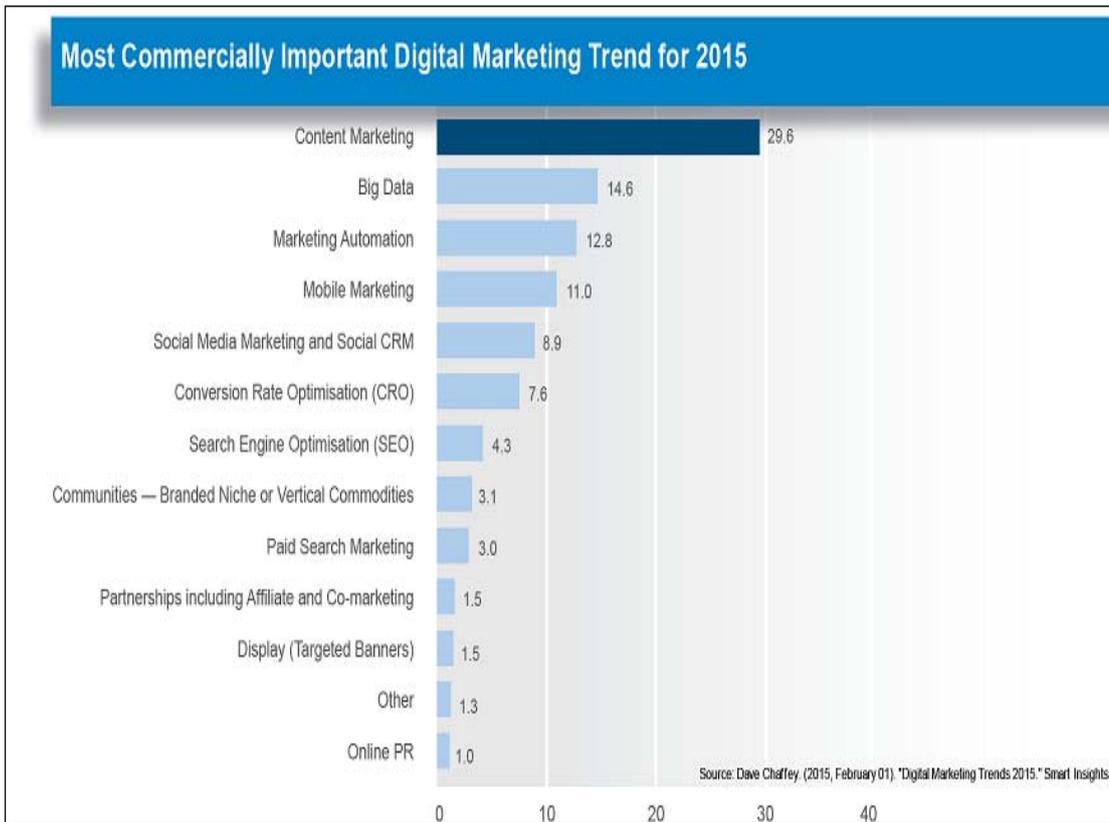
Syndicate the content on distribution networks to attract new visitors, create brand awareness, and promote natural links back to the website.

Measure the success of the content through the amount of referral traffic it attracts, the quality of the traffic (bounce rate and average session duration), and conversions it generates.

Based on a recent digital marketing trends survey by Smart Insights, content marketing was listed as the most commercially important digital marketing trend for 2015. (Chart3)

Chart3: Most Commercially Important Digital Marketing Trend for 2015

⁵⁰ Danielle DeVoren / and Rew Herweg, the travelclick perspective – march 2015: digital marketing trends for the hospitality industry, <http://www.travelclick.com/en/news-events/press-releases/travelclick-perspective-march-2015-digital-marketing-trends-hospitality-industry>



Source: Dave Chaffey (2015) Digital Marketing Trends 2015

<http://www.smartinsights.com/managing-digital-marketing/marketing-innovation/digital-marketing-trends-2015/>

Simply creating original content will not keep the SEO strategy up-to-date in 2015. Be intentional with the content marketing strategy because the importance of content is not a secret anymore. How content is researched, put together, and distributed will separate the winners and losers in organic search moving forward.

“What is your hotel’s content strategy? Are you simply writing more content because you’ve read that it’s the right thing to do? Would you create a package for your hotel just for the sake of having a package to offer? When approaching content development, create a strategy with clear, measurable goals to further the growth of your hotel or brand.”⁵¹

⁵¹ Danielle Devoren / Andrew Herweg, the travelclick perspective – march 2015: digital marketing trends for the hospitality industry, <http://www.travelclick.com/en/news-events/press-releases/travelclick-perspective-march-2015-digital-marketing-trends-hospitality-industry>

Summary

Tourism is very information-intensive and information is often dubbed the "life-blood" or "cement" of the industry which holds together the different producers within the travel industry - airlines, tour operators, travel agencies, attractions, car rental, cruise lines, and other supplies.(Zhenhua Liu,2000)

Changes in the macro environment in terms of technology, economic situation, cultural generational differences, political uncertainty, etc. cause shifts in the hotel industry cycle.

In recent years consumer behaviour in the international hospitality sector has changed dramatically. The 'new' consumer the Millennials has become the fastest growing customer segment within the hospitality industry. Millennials, as the member of the newly formed consumer society, has always the problem with the shortage of time.

All the solutions that are effective and fast mean the way to success. As a result, the importance of the up-to-date information has increased. This new segment is very demanding and expects high quality services from the commercial accommodations. Therefore customer service is strongly highlighted among the new trends in the hospitality industry in 2015. Innovative technology became one of the most important issues in the operation of hotels. Electronic check-in can be done either by mobile phone or by an Apple watch.

Distribution channels play a very serious role in the hospitality sector. How to increase revenue and same time decrease the costs of OTAs is the question here. The commissions the hotels pay to the Online Travel Agencies can range from 15-30% and that cause difficulties by reaching the targeted REVPAR. The solution is to increase direct hotel bookings. TripConnect lets the hotels compete with OTAs on TripAdvisor by placing bids. It displays real-time room rates and availability. So, instead of travelers booking via OTA sites, it lets them book directly from your site.⁵² Reaching as many potential guests as possible, out of good distribution channels, reputation management plays a crucial role in this sector.

According to Bin Yu and Munindar P. Singh (2002) one of the major challenges for electronic commerce is how to establish a relationship of trust between different parties. Founding trust is nontrivial, because the traditional physical or social means of trust cannot apply directly in virtual settings.

Rauch (2014) suggests to hotels to use only one tool instead of different others for managing a property's reputation process. Based on his opinion, one of the means is Revinate as a complete, one-stop solution for reputation management instead of the cumbersome process of logging into each platform and spending an exorbitant amount of time on a crucial yet time consuming aspect of the hotel industry.

A good marketing plan for a given period of time is a must for each hotel. However, the fast changes in the macro environment requires flexibility from the hotels. Real time marketing is the answer for this challenge. The application of this type of marketing, must take place on a regular basis and include guest-generated content. Simply creating original content will not keep the SEO strategy current in 2015. Be intentional with the content

⁵² Sourabh Matur (2014) TripConnect: A Hotelier's Tool to Outsmart OTAs
<http://www.hotelogix.com/blog/2014/07/23/tripconnect-a-hoteliere-tool-to-outsmart-otas/>

marketing strategy because the importance of content is not a secret anymore. How content is researched, put together, and distributed will separate the winners and losers in organic search moving forward.⁵³

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⁵³ Danielle DeVoren / Andrew Herweg, The TravelClick Perspective – March 2015: Digital Marketing Trends for the Hospitality Industry, <http://www.travelclick.com/en/news-events/press-releases/travelclick-perspective-march-2015-digital-marketing-trends-hospitality-industry>

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